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ANNUAL MESSAGE

OF

THE EXECUTIVE,

TO THE

GENERAL ASSEMBLY OF MARYLAND.

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DECEMBER SESSION, 1846.

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1846.



# MESSAGE.

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*Senators, and Gentlemen of*

*The House of Delegates.*

Since the adjournment of the last Legislature the North Western boundary between the United States and Great Britain has been established by the two Governments to the satisfaction of the people of each country ; and the adjustment of this question, through the public will and sentiment of the two nations, gives assurance that the amicable relations, which have been happily restored, will not again be disturbed by the Government of either country.

At the period, referred to, it was generally believed that our difficulties with Mexico were more certainly susceptible of an amicable adjustment, and less apprehension was consequently felt by your predecessors, of a collision with that country than with Great Britain. The result has shown the fallacy of human judgment—the inadequacy of human intellect to fathom the future. Texas had been annexed to the American Union without occasioning a war with Mexico ; but the subsequent determination of the Federal Executive to maintain as the boundary between the United States and Mexico, the boundary of Texas, as defined by the Texian Congress, anterior to her annexation, has given rise to the war which now exists between that Republic and the United States.

The Congress of the United States, by an act passed on the thirteenth day of May, 1846, recognised the existence of a state of war between the United States and the Republic of Mexico ; and authorized the President to accept of the service of a volunteer force, not exceeding fifty thousand men and to call on the several States, for their respective quota of that force. Under this law, the President made a requisition on me, for two Regiments of Infantry as the quota of that force, to be supplied by the State of Maryland. I immediately issued a Proclamation, calling upon the citizens of the State, to volunteer for that purpose ; and the patriotic ardour manifested by the Sons of Maryland to rally under the Flag of their Country, enabled me in a few days after the date of my Proclamation, to call upon the Secretary of War

with the assurance that I could supply the entire quota of this State within any period he might designate ; provided, he would authorize me to give the assurance to those who might volunteer, that they would be received and mustered into the service of the United States. The Secretary of War stated that the President had no intention to receive into actual service any part of the force called for from this State; and I of course abandoned as worse than a useless ceremony, the idea of organizing two volunteer Regiments, under the requisition of the President, when informed that he had no intention to accept their services. Before, however, the intention of the Government was known, three companies had organized in the city of Baltimore, whose claim to be mustered into the service of the United States, the President subsequently recognised ; and they with two companies from the District of Columbia, were sent to the seat of war, under the command of Lieutenant Colonel WILLIAM H. WATSON, who has since met a soldier's death, in leading his Battalion in a charge upon the Mexican batteries at Monterey.

The requisition of the President, the Proclamation issued by me, and a letter from the Secretary of War, explanatory of the requisition, are herewith submitted, as documents which should be preserved to explain the smallness of the force which Maryland has sent into the field ; and to show the readiness of her people to meet the call of the Federal Executive, in defence of our common country.

In placing Maryland in her true position upon this subject, I must not be understood as desiring to throw any censure upon the President for the course pursued by him, under this act of Congress. His taking the major part of the force for actual service from the southern and south western States is attributable, I have no doubt, to the greater facility with which they could reach the seat of war; and to their supposed better adaptation to the climate of the country in which the war is waged. Whatever was his object in making his requisitions for the entire force, when he only designed to receive into the service a part of that force, the effect has been to exhibit to Mexico and the world, the great political spectacle of a free people, differing amongst themselves, as to the necessity, policy, and national utility of the war, uniting as one man for its prosecution against the enemies of their country. Indisposed from habit and temperament to look at the darker side of every question, I cannot see, as some do, in every victory achieved by American valor, a lurking danger to the institutions of the country ; and although I am fully impressed with the conviction that in other hands the present war might have been avoided by the Federal Government, beneficially and with honor to the country, I cannot view the mere expenditure of the public treasure, as outweighing the national benefits which have so far resulted from the conflict. The national debt, by creating the necessity of a larger revenue, may be converted by those who are to follow our present rulers, into a national blessing.

by affording adequate protection to American industry. But independently of this—the mere treasure which has been expended is in my judgment fully compensated by the manifestation of union and patriotism, which have been exhibited by the American people—by the national glory won by American valor—by the confidence which has been established in the efficiency of our regular Army—and above all, by the sense of security, consequent upon the firm reliance, which, for the future, will be placed in the efficiency of our only true national defence—the *Citizen Soldier*.

When in their opinion the proper time has arrived for that purpose, the people of the country will thoroughly investigate the conduct of their Government upon this subject; and if their conviction shall be that this war was not called for by such grievous national wrongs inflicted by the Republic of Mexico, as rendered an appeal to the bloody arbitrament of the sword necessary to the honor of the country, the deep condemnation, which will follow that conviction, will not spring from the amount of the public treasure unnecessarily expended, but from the loss of those gallant sons of the Republic, whose blood has been shed in the prosecution of the war. If the result of this investigation shall be that the war was uncalled for by such momentous national necessities, as would justify the Federal Executive in waging it, the condemnation of our Federal Rulers will be no where more unanimously expressed than in Maryland; for she has suffered more severely than her sister States. Before the American Army had met the enemy, it was her lot, to mourn the loss of one of her sons, (the gallant Col. Trueman Cross) treacherously murdered upon the banks of the Rio Grande; and although every conflict with the foe has resulted in a glorious victory, the rejoicings of her citizens, have been checked and saddened, by the loss in every battle, of some of the most distinguished of those, whom she had sent forth to serve their country.

Although the memory of those who have perished will live in the hearts of their countrymen, it will, Gentlemen, be your duty to meet the wishes of your constituents by taking the necessary steps to express, in a suitable manner, on behalf of the State, her deep sorrow and lamentation for the loss inflicted upon her, and the country, by their untimely death.

As the existing legislation of Congress gives a pension only for five years to the widow or orphan of the officer or soldier who may be killed in battle, it will be expected by your constituents that you will take such steps as will ensure such a permanent provision, either through the action of Congress, or by your action, as will be sufficient, to keep from want the widow and orphan of the Maryland officers and soldiers, who have been killed in fighting the battles of their country.

Will you permit me, Gentlemen, in reference to this subject, to trespass so much further upon your attention, as to express my conviction, that you will be performing an acceptable service to

your constituents, by expressing the approbation of the State, of the conduct of those of her surviving sons, who have distinguished themselves in the battles which have been fought?

In my message to the last legislature, it became my duty to express the opinion, that the existing laws were wholly inadequate to ensure the proper enrolment and organization of the militia of the State: and to recommend, in view of the then hostile attitude of Great Britain, the passage of such laws as would be sufficient to effect a thorough re-organization of the military force of the State; and thereby place her in a proper posture of defence. The Legislature, believing that our difficulties with Great Britain would be amicably adjusted, and not apprehending a war with Mexico, did not deem it necessary to legislate upon that subject.

When Congress declared that a state of war actually existed with Mexico, I believed it to be my duty to ascertain the state of organization and efficiency of the militia; and to use all the power, with which I was clothed, to place Maryland in a military position to meet any contingency, which might occur.

The report of the Adjutant General, which is herewith submitted, will give you a detailed account of the enrolment and organization which have been effected, under the military orders issued by me. I must ask for this subject the consideration which its importance merits, and I have every confidence, that the additional legislation necessary to the full enrolment and efficient organization of the volunteer and militia force of the State, will be the result of your deliberation.

The present militia system imposes on the State an annual expense of from one to two thousand dollars, without affording any equivalent advantage. The 24th section of the act of 1834, chapter 251, makes it the duty of the Adjutant General to furnish the militia officers, annually, with proper forms and blanks, for their returns and reports; and directs the Governor to draw on the treasury, for the cost of such forms and blanks. Since the passage of this act, the annual expense incident to the compliance with this provision, (for printing and postage alone,) has been equal to one thousand dollars; and, if this section remains in force, will be increased, in the ratio of the increase of the number of officers now in commission, above the number heretofore commissioned. Since the adjournment of the Legislature in March last, I have issued more than fifteen hundred military commissions, which would double the expense heretofore incurred, under this section of the act of 1834; and being satisfied, that no officer is, or should be in commission, who is incapable of making all the reports and returns required of him by law; I am sure you will readily apply the necessary corrective to save the State this unnecessary expense.

Gentlemen, I must now refer to *the subject* which will, above all others demand your consideration and action.

Our State for the last six years has been unable to meet her liabilities, from causes referred to, and fully explained, in my message

to the last legislature. For a portion of that period, the public debt had increased, by the accumulation of interest, with fearful rapidity; and at the close of the fiscal year immediately preceding my qualification as Governor the arrears of interest amounted to \$1,432,154.51.

The law imposing the direct tax had passed at December Session 1840, and with the other revenue measures, subsequently passed, were found wholly inadequate to arrest the progressive accumulation of interest, and consequent increase of the public debt. To the total insufficiency of the taxes which had been imposed, *if fully paid*, to meet the demands upon the treasury, was super-added the more alarming fact, that in seven counties of the State, the revenue laws were unenforced. In this disastrous condition of the public finances, it became my duty to devise and recommend such measures as would be adequate to redeem the public faith, and render justice to the creditors of the State. It was manifest to me at this juncture, that prompt and efficient action on the part of the legislative and executive branches of the Government, or permanent insolvency and dishonor, were the necessary alternatives. At this crisis in the affairs of the State, I had a right to expect the cordial support of every citizen who valued the honor of his State; and I was consequently unprepared for the opposition to some of the measures recommended, which was manifested in some sections of the State. I did, however, receive the cordial and efficient co-operation of the legislatures of 1844 and 1845; and the wisdom of their legislation is now vindicated by its results. The beneficial effects of that legislation, united with the proper enforcement of the other revenue laws, will be demonstrated by a comparison of the previous, with the subsequent financial condition of the treasury. During the fiscal year ending on the first of December 1844, the treasurer paid on account of interest \$395,059  $\frac{1}{100}$ , being less than one year's interest, by the sum of \$260,361  $\frac{1}{100}$ ; and the public debt was consequently increased during that fiscal year by the amount of that deficit. In the following fiscal year ending on the first of December, 1845, the treasurer paid, towards the liquidation of interest, the sum of \$710,784  $\frac{1}{100}$ , being more than one year's interest, by the sum of \$55,363  $\frac{1}{100}$ , decreasing the public debt by that amount, and making a relative difference of \$315,724  $\frac{1}{100}$ , in the financial operations of the two years. If this comparison is extended to the close of the fiscal year on the first of December last, it will show that there was paid in that year towards the extinguishment of interest, the sum of \$732,289  $\frac{1}{100}$ , being \$76,868  $\frac{1}{100}$  more, than the accruing interest for the year, and lessening the public debt by that amount. But, gentlemen, I have had a double object in instituting this comparison between the pre-existing system of taxation unexecuted, and the system as perfected by the legislation of 1844 and 1845, fully enforced; my chief object has been to show, by actual practical results, that the existing tax laws are more than adequate to meet the current demands upon the treasury. I will now proceed

to show that you will be justified, without the imposition of additional taxes, in funding the arrears of interest, and in proclaiming a day upon which the State shall resume the payment of all current demands upon her treasury, and thereby cast off for ever the reproach which for so many years has rested upon her and her people.

Your first object in prosecuting this inquiry, will be to ascertain the amount of interest which it will be necessary to fund, that you may know the consequent increase in the demands upon the treasury; and it is my duty to give you the data upon which your estimates should be predicated. I will suppose that you will decide to fund to the first of October next, exclusive of the interest of that quarter. You will then have the arrears of interest on the first of December, 1846,

\$1,299,922.33

One months interest due on the 1st of January, 1847,

51,220.00

The quarters interest due on the 1st of April, 1847,

94,458.00

And the quarters interest due on the 1st July, 1847,

231,453.00

Which will make the interest due, and to become due to that date,

\$1,677,053.33

Your determination to fund will involve, as its necessary consequence, the repeal of the laws which authorize the payment of taxes in coupons. If you should pass an act repealing the coupon laws, to take effect from the first of July next, I should think it fair (in view of the anxiety which will be felt to pay the taxes by this depreciated means) to estimate that the amount to be funded will not exceed \$1,200,000.

Your next object should be to ascertain what will be the current demands upon the treasury. The annual claims upon the treasury consist of the ordinary expenses of the State Government, which may be estimated at

\$200,000.00

The interest on the public debt exclusive of the interest on the tobacco loan, which is paid by that fund, at

651,821.16

Making the present annual demands upon the treasury

\$851,821.16

To this you must add the interest on one million two hundred thousand dollars, the debt now proposed to be funded, *at such rate* as in your judgment the honor of the State, and the just claims of her creditors may require you to establish.

The only remaining inquiry will be, whether the existing tax laws will yield a sufficient revenue to meet this demand upon the treasury. The importance of correct conclusions upon this subject cannot be overrated: as an error in your estimates would entail upon the State, the humiliation of a second insolvency; and I

must therefore, solicit for the views which I entertain, and shall express, the most thorough investigation.

In the first place, then, may not the adequacy of the existing tax laws be assumed from the fiscal results of the last two years? Or, in other words, if the legislature of 1844 had funded the interest then in arrears, and ordered the resumption of payment by the State, would not the receipts of the treasury since that time, have enabled the State to maintain her solvency to the present moment? In the fiscal year ending on the first of December 1845, the treasurer after paying the ordinary expenses of the Government, paid \$55,363  $\frac{3}{10}$  more than the interest which accrued for the same period, and had in the treasury on that day *a surplus of* \$199,412  $\frac{6}{10}$ . It is therefore manifest that for that fiscal year the State could have met all the liabilities which funding and resumption would have imposed upon her. In the next fiscal year ending on the first of December, 1846, the Treasurer, after the payment of the ordinary expenses, paid \$76,868  $\frac{3}{10}$  more than the current interest on the public debt for that year, and retained in the treasury *a surplus of* \$147,913  $\frac{1}{10}$ , thus clearly establishing the ability of the treasury in that year, to have met every liability which would have been consequent upon the funding of the arrears of interest, and the resumption of the payment of the accruing interest on the public debt.

Gentlemen, I do not desire that you should rely upon any opinion expressed by me upon this momentous subject. It is your province to give to this subject a minute and thorough examination, and it is my desire solely to suggest for your consideration, such facts as may facilitate your investigation, and assist you in arriving at correct conclusions. In my judgment you could not adopt a method of investigation, which would lead you more certainly to correct results, than by looking to the receipts of the past year, and by an examination of the sources from which those receipts were derived, to ascertain whether the receipts from the same sources, will be increased, or diminished in future years. If you should adopt this course, you will find that the receipts for the last year were from the direct tax

And from other sources

\$523,049.67  
394,703.04

Making the aggregate receipts

\$917,752.71

In following the train of investigation suggested, your attention would now be directed to the inquiry, whether the direct tax for the future will probably yield an increased, or a diminished revenue.

Upon this point, let me invite your consideration of a single fact. By an act of the last session, a re-assessment was ordered of the property in the city of Baltimore. This assessment has not been completed; but with the desire of supplying you with all the information necessary to just conclusions upon the subject, I addressed a letter to the Mayor of that city, requesting him to inform me what would be the result of that assessment; and I

have received a communication from him, in which he says, "that the assessment will not fall short of \$80,000,000." If this estimate be correct, it will add \$25,471,784 to the assessment upon which the direct tax now operates, and will increase the revenue which *will accrue* from that source, sixty-two thousand nine-hundred and twenty-nine dollars and forty-six cents. It will be for you to decide whether this increase in the accruing revenue will prevent a decrease of receipts from that source.

In pursuing this investigation, it will only remain for you to examine the various sources of revenue, other than the direct tax, from which (as you have seen) the receipts in the past year amounted to \$394,703  $\frac{101}{100}$  for the purpose of deciding, whether you can rely *with certainty* upon increased receipts for the future, from those sources. I by no means intend to travel over this wide field of investigation, and shall content myself with referring very briefly, to two or three of the indirect taxes, and in an after portion of this communication more at large to the connexion of the State, with her various works of Internal Improvement, and the revenue which may be derived from that source.

You are aware that the laws imposing the tax upon the commissions of Trustees, Executors and Administrators, have not until now been in full practical operation ; and I have no hesitancy in saying that you may rely with positive certainty upon an increased revenue from those laws.

The amendment of the Stamp Act at the last session, by which Lottery Tickets are required to be stamped, only went into effect on the first of December last, and you may consequently rely with entire certainty upon increased receipts from that source. In reference to the probable receipts in future from the Internal Improvement Companies in which the State has invested so much of her capital, I merely desire in this connexion to furnish you with some facts which will assist you in the present investigation.

In the past fiscal year the receipts from the works of Internal Improvement were less than in the preceding year, by the following amounts ;

The decrease of dividends from the Baltimore and Ohio	
Rail Road Company,	\$15,000
Baltimore and Susquehanna Rail Road Company less by	14,000
Tide Water and Susquehanna Canal Company less by	63,250

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Making the diminution of receipts for the present year \$92,250

And in estimating your ability to maintain the public faith, you may, I think for the future, rely upon those companies for increased aid, at least equal to that deficit.

As it is possible from the mode in which the revenue is collected and paid into the Treasury, that a small deficiency may exist on some quarter days when interest is payable, which would be certainly met within sixty or ninety days by subsequent receipts; I would recommend for your consideration the policy of conferring upon the Treasurer the power to borrow the amount necessary to

meet such a contingency, on a pledge of the Bank Stocks of the State. This would render resumption entirely safe and practicable, and would remove all apprehension, or doubt of the State's future ability to meet all her engagements with certainty and punctuality.

The decrease of expenditure consequent upon the passage by you of the Biennial Session Bill will be adverted to hereafter, but in this connexion it will be necessary for you to estimate the relief which it will afford by lessening the demands upon the Treasury.

The laws regulating sales by auctioneers require amendments; and I will suggest those which have occurred to me to the appropriate Committees of your bodies. I have in a former communication recommended a review of the existing tax laws, the equalization, or repeal of those which operate unequally; and a condensation of the whole into one or two statutes, which last would abridge the labors and facilitate the execution of the duties of the revenue officers of the State; and I must again respectfully ask your attention to those subjects.

Having satisfied yourselves, that the existing tax laws, faithfully executed, are adequate to sustain the credit of the State, the period at which the necessity for their continuance will probably terminate, will present an inquiry, of deep interest to your constituents, and one, altogether worthy of your consideration. It is certain, that the necessity for the continuance of the present taxes can only be removed by the payment of the public debt, or by the provision of sufficient revenue from other sources, to meet the accruing interest on that debt; and the public mind can only be directed for relief, to two sources, the one certain but remote, the other more uncertain, but less remote in its probable effects. For the relief to be derived from the first source, (the payment of the debt,) we can rely with entire certainty, upon the operation of the sinking fund already established. For the relief to be derived from the provision of adequate revenue from other sources than taxation, you must look exclusively, to the works of internal improvement, in which the whole amount of the debt has been invested.

By the operation of the sinking fund, as now established, the regular payment of the accruing interest on the State debt, will extinguish the principal of that debt, in thirty years from the present time. This fund amounted on the first of December, 1844, to \$1,276,306  $\frac{7}{10}$ ; on the first of December, 1845, to \$1,411,911  $\frac{5}{10}$ ; and on the first of December, 1846, the close of the present fiscal year, to \$1,510,922  $\frac{3}{10}$ ; thus fully manifesting its adequacy, to redeem the principal of the debt, within the period above designated. The people therefore are incited to the punctual payment of the State tax, not only by their obligation to sustain the public faith, but also by the knowledge that they are thereby paying off the debt itself, and gradually relieving themselves from the burthens, which it now imposes upon them. The citizens of Maryland now fully comprehend, not only their duty, but also

their interest, in reference to this subject; and they will not in future, look with indifference, to the non-payment of the State tax, by any portion of their fellow-citizens. They see, that the due observance of the revenue laws by all is not more essential to the credit of the State, than to their own interest, and will no longer submit to the injury, which the non-payment of the tax by any part of the community, would inflict upon the State and themselves.

The other subject to which I have adverted, is one, in which the people of Maryland are more deeply interested than in any other, which will claim your attention. The State debt has been incurred, exclusively by her investments in her various works of internal improvement; and I now propose with your indulgence, to invite your consideration of her investment in such of those works, as may be made to yield an increased revenue by proper legislative action on your part.

I have prepared for your convenience, a tabular statement showing the amount invested by the State as unpreferred stockholder, and as creditor and preferred stockholder, in each of the four works of internal improvement, to which I shall call your attention; and also the amount of interest paid on her investment in each beyond the amount received from them respectively :

For investment in the Baltimore and Ohio Rail Road company, as unpreferred stockholder,	\$500,000 00	
For investment in the Washington Branch of said road as unpreferred stockholder,	550,000 00	
	<hr/>	\$1,050,000 00
For investment in Baltimore and Susquehanna Rail Road company, as unpreferred stockholder,	\$100,000 00	
As preferred creditor,	\$2,132,045 00	
For preferred claim for interest paid above amount received from this Co.	773,000 00	
	<hr/>	2,905,045 00
		3,005,045 00
For investment in Susquehanna & Tidewater Canal companies, as preferred creditor,	1,192,500 00	
For interest unpaid by those companies,	64,750 00	
	<hr/>	1,257,250 00
For investment in Chesapeake and Ohio Canal, as unpreferred stockholder,	622,000 00	
As preferred creditor and stockholder,	\$6,572,666 67	

Preferred claim for interest paid by the State,	2,531,068 00	
	<hr/>	9,103,734 67
		<hr/>
		9,725,734 67

Making the aggregate amount paid by the State in aid of those four companies, \$15,038,029 67

The annual report of the Baltimore and Ohio Rail Road company, which is herewith transmitted, will give you a detailed account of its present condition, and future prospects. As this company has never availed itself of the conditional subscription to its stock, authorized by the act of May session, 1836, chapter 395, I have assumed (as you will perceive by the tabular statement above submitted,) that the State is *only* interested to the amount of her anterior subscription to the main stem and Washington branch of that road. Although the dividends which the State has received upon her stock in this company have not been equal to the interest paid by the State on the money borrowed for that investment, it is proper to remark, that the tax of the one-fifth of the gross receipts for passengers on the Washington Branch of the road, imposed at my instance by the 8th section of the act of 1832, chapter 175, has more than met that deficiency in the dividends heretofore declared, and that the State's investment in the stock of this company, is the only one, which has hitherto yielded a revenue, equal to the interest on the investment. This company is therefore entitled on that account to your most favorable consideration, and to all the assistance which you can render it, in the prosecution of its designs, without detriment to the public revenue. But independent of this claim upon your consideration, it has another of a still stronger character, which cannot fail to be fully appreciated by you. This claim to your consideration is based upon the fact, that of all the companies chartered by the State, and in which she has invested so many millions of her capital, this is now the only one from which she can hope to realize the commercial prosperity and advantage, which induced her original investments in all of them. The paralyzing effect produced, by the neglect of the State to meet her obligations, upon the credit, energies and prosperity of every class and every interest in the State, could not be more forcibly illustrated, than by its effects upon this company.

But for that dire calamity, this noble enterprise would have been completed to its destined terminus on the Ohio—the Chesapeake and Ohio Canal would have been finished to Cumberland—our commercial emporium would now occupy her true position amongst her sister cities of the Union; and the State would be probably receiving an increased revenue from the road, and certainly some revenue from the canal, to assist her in redeeming and maintaining the public faith. When you have exercised the enviable privilege of proclaiming the release of the State from her

pecuniary embarrassments, you will remove the incubus which has weighed down the energies of her people, and restore to them the ability to complete every enterprise, essential to their prosperity. But, gentlemen, it is my purpose to ask your consideration of the works of internal improvement, with which the State is connected, solely with the view to their revenue capacity; and I will not digress from that purpose. The Baltimore and Ohio Rail Road, is the only work to which I intend to refer, in which, the State is only interested as general stockholder; and over which she has no other control, than that which is incident to the vote of the ten directors appointed by the Legislature. You have not therefore over this company, the power which you possess in reference to the others, to methodise a system of management, which would most contribute to the revenue of the State. But I have no doubt that the appointment by you of directors on the part of the State, with the view to the concurrence of that company in the system which you may devise, will result in its acquiescence; as I am fully persuaded that the management of all those companies, with the design of deriving the greatest possible aggregate revenue from all of them, would result in the increase of the revenue of each.

In order to obtain from all those companies, the greatest possible aggregate revenue, they should not be regarded as distinct or rival companies, but as parts of one scheme, belonging (except the Baltimore and Ohio rail road,) to the same party, and designed to effect the same objects. Starting then with this view of the subject, and with the purpose of obtaining for the State the largest attainable aggregate revenue, you will accomplish this object, by systematizing and regulating by law the management of all those companies, so as to give to each work that portion of the business, which could be more profitably conducted by it, than by the others. In the examination of this subject, you must bear in mind, that the Baltimore and Ohio rail road, and the Chesapeake and Ohio canal, with different eastern termini, have the same western terminus—that they are consequently in some degree (but I think not legitimately,) the competitors for the same trade, and that in digesting the system suggested, you must establish for the government of each, such a tariff of tolls as will prevent the competition, which now exists between them; and will secure to each, that portion of the trade which will be most conducive to the advantage of the State. The interest of the stockholders of the Baltimore and Ohio rail road company, would be certainly promoted by such an arrangement, and the assent of that company could be readily obtained, were it not that the opinion is entertained by some that the successful operation of the canal would be injurious to the city of Baltimore. Those who entertain this opinion do not reflect, that the canal is absolutely under the control of the State; and that the paramount interest of the State, in the prosperity of her commercial emporium, would ensure such an exercise of that control, as would prevent the injurious

results apprehended by them. You will perceive by the report of the Baltimore and Ohio rail road company, that its President and Directors have declared a dividend of three per cent, to be paid in cash to all stockholders of *less than fifty shares*, and a dividend of *one per cent.* in cash, and two per cent. in the bonds of the company, payable twenty years after date, to the stockholders of *more than fifty shares*. I have been unable to recognise the force of the reasoning, intended to justify this novel method of declaring a dividend; by which the individual who has advanced less than five thousand dollars, for the construction of this road, receives at once his dividend in cash, whilst the State, which has advanced five hundred thousand dollars for the same purpose, is to receive her dividend at the end of twenty years. It does seem to me, that if this company possess the power under their charter, to discriminate in favor of any class of their stockholders, that it would have been more equitably exercised, by reversing their present action. It may be proper also, for you to consider, whether the company possess the power to issue such stocks, or possessing the power, whether its permanent interests or those of the public, would be advanced by the creation of a debt, (secured by a pledge of the property and future earnings of the company,) for the payment of dividends, declared of conjectural profits. The Treasurer, possessing no power, to use the bonds of this company for any purpose, and being unwilling to recognise the legality of this novel proceeding, which might lead to the future exercise of the same power, by his and other companies, has not received this dividend, and believes it to be his duty, to submit the subject to you, unembarrassed by any action on his part. This company has certainly been managed with more ability and energy, than either of the other companies, to which I design to refer; and this may be attributed to two causes eminently worthy of your consideration. It is to be referred chiefly to the fact, that the stock of that company has always continued of sufficient value to command the anxious supervision of the private stockholders, and the directors elected by them; and the second cause of its better success, which may perhaps be considered only as an incident to the first, is the comparatively large salaries paid by this company, to its officers and agents.

The importance of this view of the subject, will be seen and appreciated by you, in the examination of the condition of the other companies, to which I now desire to ask your attention. The tabular statement which I have submitted, will show you, that the State is the preferred stockholder or creditor, in each of the other companies, to an amount, much more than sufficient to exhaust all the revenues which have been hitherto received by them; and that the individual stockholders in each of those companies, have long since ceased to feel any interest *as such* in their success. The State is consequently the only party interested in having those works so managed, as to produce the largest possible revenue. Indeed I may say that the interest of the private stock-

holder is now antagonistical to that of the State; ceasing to look upon his stock as of any pecuniary value, the interest of the private stockholder would not be promoted by the establishment of that tariff of tolls, which would produce the largest revenue, but by fixing the lowest rates of toll, which would be adequate to keep the road or canal in proper order for his use. If the private stockholders, or the directors elected by them, are merchants, or owners of real estate in a city, they would be interested in the establishment of precisely that rate of tolls, which would be most calculated, by the concentration of trade in the city, in which they reside, to increase their business, or enhance the value of their property. It is, therefore, manifest, that the State cannot safely rely upon the supervision of the private stockholders, or the directors elected by them, for the profitable management of her vast investment in those works.

Suffer me to present one other view of this subject. You are aware, that the Tide Water and Susquehanna Canal, and the Baltimore and Susquehanna Rail Road, have the same northern terminus, and that the eastern terminus of the former, is at Havre-de-Grace, and of the latter, at the city of Baltimore. They are consequently competitors for the same trade, and I apprehend, that your investigation will show that they have been hitherto managed, as antagonist works; not with the object of earning the greatest aggregate revenue for the State, but with the design of securing to each work, the greatest amount of trade, irrespective of the interest of the State. To show the practical effect of such an administration of the affairs of the two companies, upon the interest of the State, we will suppose, that a thousand tons of coal or other material are placed at the northern terminus of the two works, for transportation. If this produce is taken by the canal, the entire toll would be so much added to the profits of the work, for no injury is caused by the passage of the boat on the canal, and the motive power is supplied by the owner of the produce. If the same produce is taken on the road, to ascertain the profits resulting from the transaction, you must calculate the cost of the motive power, and then the injury to the road, caused by the transportation upon it, of heavy burthen cars, drawn by an engine of corresponding capacity and weight. The actual cost of the transportation of burthen upon a rail road, has been variously estimated, from one and one third, to two cents a ton per mile. Suppose in the case I put, each company to charge two cents a ton per mile, and the result would be, that the transportation of the supposed amount of produce on the canal would give the company, and consequently the State \$20, for each mile of the canal, whilst its transportation upon the road, at the same charge would not only yield no nett revenue to the company or State, but would actually diminish the revenue of the State, by the amount of the toll which would have been received for its transportation upon the canal. Now, if the revenue of those companies belonged to different parties, they might very properly compete for the same trade, and each might legiti-

mately so regulate their tolls, as to draw from the other any portion of the business enjoyed by it, without regard to the decrease of revenue, which would result from such a course ; but the State being entitled to receive from each, a larger amount than their whole nett revenue, it is clear, that such a course would be incompatible with their existing relations to the State, and entirely subversive of her interest.

Gentlemen, if you were placed individually in relation to those works, precisely in the situation which the State occupies, with the same power and control over them, and were now assembled to act for yourselves, personally, *you would establish such regulations for the government of each work, as would in your opinion most increase the revenue from all.* You would not entertain the Utopian idea (upon which the action of the State appears to have been based,) that because this vast outlay had been made *by you*, that it required no supervision; nor the equally fallacious opinion, that *you* could procure agents of capacity and energy adequate to the supervision of so vast an interest, who would bestow the constant attention and labour, necessary to the successful management of such a trust, without compensation. *You would appoint an Agent or a Board of Agents, to superintend and enforce the execution of the regulations established by you, with such compensation as would command the entire energies and time, of the Agent or Board appointed by you.* All I ask, on behalf of the people, is, that you act for them, as you would act for yourselves.

Gentlemen, I am apprehensive that the detail necessarily incident to the examination of this subject, may render this communication irksome to many of you; but a sense of duty, and the conviction that the subject has never received from the Legislature, that minute investigation which the interest of the State requires, compels me to trespass still further upon your attention. I propose now, to refer, to the Susquehanna and Tide Water Canal, the Baltimore and Susquehanna Rail Road, and to the Chesapeake and Ohio Canal for the purpose of suggesting for your consideration, such legislation in reference to each, as will in my judgment promote the public interest.

The Susquehanna and Tide Water Canal Companies, during the fiscal year which ended on the 1st of December, 1845, paid into the treasury, the sum of \$74,800, which only left due from them for all their liabilities to that date, the sum of \$9,750. During the fiscal year ending on the 1st of December, 1846, the Treasurer has only received from those companies, the sum of \$11,550, being the interest on their bonds for \$192,500, passed to the State for arrears of interest. The diminution in the revenue from this work, has been caused by the extensive repairs rendered necessary by the destructive freshets which occurred in the spring and summer of the present year; and by the loss of tolls consequent upon the suspension of navigation, whilst those repairs were being made. I am informed by the President of those com-

panies, that the gross receipts for tolls on the canal, for the present year, have exceeded the receipts of the last year, notwithstanding the interruption of navigation, during that period of the year in which the business of the canal would have been most active; and I am, therefore, of opinion that the Susquehanna and Tide Water Canal Companies would have met their liabilities to the State but for the unforeseen expense and loss, to which they have been subjected. You have seen from the tabular statement which I have furnished, that the liabilities of the Susquehanna and Tide Water Canal Companies, consist of their bonds for \$1,000,000, their bonds for \$192,500, passed in liquidation of the arrears of interest on the original loan, to the 1st of July, 1844; and of interest unpaid since that liquidation, amounting to \$64,750; making their aggregate liabilities \$1,257,250. I have reason to believe, that an exchange might be effected of the bonds and liabilities of those companies, for an equal amount of the bonds of the State, bearing the same interest. If this arrangement could be made, I have no doubt, that it would be beneficial to the State, and acceptable to her people. It would lessen the State debt to the extent of such exchange, and expedite the period at which the public debt would be extinguished by the operation of the sinking fund by the number of years which it would take that fund to pay off \$1,257,250, the amount of the debt which would be obliterated by this arrangement. I do not hesitate, therefore, to recommend the legislation which may be necessary, to empower the Treasurer and Commissioner of Loans to make such an exchange as I have suggested.

The Baltimore and Susquehanna Rail Road Company have given a construction to several Acts of Assembly, conferring certain powers, and imposing certain obligations upon them, in which I cannot concur. By their construction, they claim the right to apply the whole, or any portion of the revenue of the road, which they may think proper, not simply to the repairs of the road, and to the payment of the ordinary expenses; but to the building of depots, and to the purchase of such additional cars, engines, &c. as they suppose might increase the business of the road. By the construction which I place upon those Acts of Assembly, I make it the duty of that company to pay into the State Treasury all the revenue received from the road, after the payment of the ordinary expenses, necessary to the conduct of the road, in view of its established business at the period of that legislation.

A reference to the eighteenth annual report of this company presented to the last Legislature, will furnish you at page 7, with the argument of that company in support of the construction for which they contend. They rely upon the 5th section of the Act of 1837, chapter 302, as conferring the power claimed by them *to make the extraordinary disbursements referred to in that report*; and by the continued exercise of which, the revenues of the company have been diverted from the State Treasury, and applied to objects supposed by them to be beneficial to it. This sec-

tion of the act of 1837, makes it the duty of the company, to provide sufficient means for the transportation of all merchandize and commodities, that should be offered for transportation on the road; and the company, insist upon their right to use the current revenue for that purpose. The first section of this same act of 1837 provides, "that so soon as the Baltimore and Susquehanna Rail Road Company, shall have assented to the provisions of that act, and shall also have prepared and deposited with the Treasurer, an obligation, pledging the whole of the property *and revenues* of said company, for the purpose of securing to the State, the payment of the interest and principal of the loan which shall be made to said company," the Commissioner of Loans was authorized to issue and sell \$500,000 of the bonds of the State, and deliver the proceeds to the Treasurer, to be paid over to this company. You perceive that this company by the construction which they place upon the 5th section of the act of 1837 annul *the obligation* imposed upon it by the 1st section of the same act. The first and fifth sections both impose obligations upon the company, the one designed for the protection of the State, and the other for the convenience of the public; and the company were required to assume the faithful discharge of the obligations imposed by each section, before they could legitimately receive the money granted to them by that act. You will find that the obligation imposed by the 5th section, was to be evidenced only by the acceptance of the law under the corporate seal of the company, and the signature of its President and Directors; whilst the obligation imposed by the first section, was to be evidenced by the additional solemnity of a written obligation, under the corporate seal of the company and signed by its President and Directors, pledging the whole of their property and revenues for the payment of the interest, &c. It certainly was not the intention of the Legislature of 1837, that this company should make its performance of the minor obligation, imposed upon it by the 5th section of that act, the justification for its non-performance, of the much more important obligation, imposed by the first section of the same act. In my opinion the act of 1837, made it the duty of this company to use so much of the money received under its provisions, as was necessary to enable them to comply with the obligations imposed by its 5th section, and I entertain no doubt that the power which has been exercised by this company, is unwarranted by the spirit and letter of that act, and in direct opposition to the provisions of all the other laws bearing upon the subject.

But, gentlemen, the error of the construction of the act of 1837 contended for by this company, will be rendered more apparent by an examination of the act of 1838, chapter 395. By this act the additional sum of \$750,000 is appropriated to this company, and the second section specifies the purposes for which this appropriation should be expended. It enacts "that the Treasurer shall pay to the President and Directors of said company, such sums of money not exceeding \$750,000 as may be necessary for the construction and

completion of the said road, *with the necessary depots, engines and cars, for the purpose of travel and transportation, &c.*" and the fifth section of the act of 1838 declares it to be the duty of this company, to perform the obligations imposed on it by the acts of 1834 and 1837, to pay into the treasury the whole of its nett revenues.

Gentlemen, the public interest imperatively demands that you should act definitely upon this question. If, in your judgment, this power has been rightfully exercised, you should say so, that the State may at once abandon the hope, which she has hitherto entertained, of pecuniary assistance from this company—if you should think with me, that the company had no right to withhold from the Treasury any part of the revenue after the payment of their ordinary expenses, you should so declare; and you should see, that the management of the company is placed in the hands of those who will conform to your directions. In this connexion I must refer you to the 9th section of the act of 1838, chapter 395, which enacts "that in consideration of the additional advance to be made by this State, and of the power to increase its charges for transportation of passengers, the said company shall pay to the Treasury for the use of the State semi-annually, the sum of fifty cents on each passenger transported over not less than twenty-five miles of said road, or one-fifth of the whole amount received for the transportation of passengers; and it shall be the duty of the President of the company to exhibit on oath to the Legislature on the 1st of January in each year, an account showing the gross amount received for the transportation of passengers, *and the State's proportion thereof.*" I believe that this provision of the act of 1838 has been altogether disregarded and although the company received from the State \$750,000, the amount appropriated by that law, and upon which the State is now paying interest, they have never exhibited the account or made the payment required by this section. Comment upon this subject is unnecessary.

Notwithstanding the increase of the receipts for the past year both for the transportation of passengers and produce, which are shown by the annual report of the company herewith transmitted, they have only paid to the State for the last fiscal year \$6,000, whilst for the fiscal year ending on the 1st of Dec. 1845 they paid \$20,000! This result cannot be accounted for upon any other hypothesis, than the one predicated in a previous part of this communication; viz. that it has been conducted as a rival to the Tide Water Canal and not with the view to revenue. Indeed the report itself conclusively demonstrates it, by exhibiting the extraordinary spectacle of *diminished nett revenue with a large increase of business!*

I have received and will transmit the annual report of the Chesapeake and Ohio Canal Company, which will show that this Company has been hitherto unable to avail itself of the provisions of the act of 1844, chapter 281, to complete the canal to Cumberland; and that the immense amount already expended by the State in this

enterprize must without further legislation continue a burthen upon her people. In the examination of this subject, I desire without comment to ask your consideration of the following facts: 1st, That the Canal has been completed to its present terminus at Dam No. 6, for a sufficient time, to demonstrate its inability to pay any thing to the State, so long as that shall continue its western terminus! 2nd, That Maryland is the preferred stockholder and creditor to the amount of \$9,103,734 which amount is annually increased by the sum of \$371,625 the interest annually paid by the State on her investment in this work! 3d, That the construction of the canal to its present western terminus, has cost beyond the amount advanced by this State, the sum of \$3,207,508, subscribed by the United States, Virginia, the District Cities and individuals! 4th, That Maryland is entitled to all the tolls which may be received on the canal, after the payment of the ordinary expense incident to its administration, until she shall receive the arrears of interest paid by her, and the accruing interest upon her preferred investments in that work! 5th, That the estimated cost of completing the canal to Cumberland is \$1,100,000, and that the completion of the canal by the State would result in placing in her treasury, whatever may be the increase of tolls beyond the interest on the cost of its completion.

Gentlemen, it seems to me that in determining your action upon this subject, your attention will be properly directed only to two inquiries: 1st, Whether the completion of the canal by the State to Cumberland would cause an increase of nett revenue, beyond the interest on the cost of its completion; and 2nd, Whether the State possesses the ability to complete it.

The only information in reference to the first inquiry, not furnished by the numerous reports of the committees on internal improvement, made at previous sessions of the Legislature, is the important fact, that since those reports were made, the various coal and iron companies in the vicinity of Cumberland have connected their works by rail roads with the basin of the canal at that point; and that the canal would consequently receive immediately upon its completion, a supply of those articles for transportation.

In regard to the second inquiry, I do not think a doubt can be entertained. The honesty and energy evinced by the people, through their representatives, to meet the public engagements, and the additional security which the completion of the canal would afford to the State creditors, will enable you to embrace the prospect of relieving your constituents from taxation, which is offered by the completion of this gigantic enterprize.

It may be proper to remark, that by the retrocession of Alexandria, the eastern terminus of the canal is now placed within the limits of Virginia, and to suggest the probability that our sister State may be now found willing to join with Maryland, in completing this grand enterprise, commenced under her auspices, and projected by the Father of his Country.

May not Virginia, in view of the benefits which would result to

her citizens from the completion of the canal by Maryland, be induced at least to concede to the Baltimore and Ohio Rail Road, (in which the people of this State have so deep an interest) the right to seek a western terminus, within her limits?

There were two laws passed by the last Legislature, to which I wish especially to invite your attention. The first is the law amending the Constitution, by the substitution of biennial, for annual sessions of the Legislature; and the second, is the law reducing the salary of the Governor, after my term of service shall have expired. This legislation was occasioned by the laudable desire of your predecessors, by retrenching the expenses of the State, to enable her with greater certainty to resume the payment of her liabilities; and to continue to meet them, as they shall hereafter occur. The conflicting effect, in my judgment, of the two laws, upon the object of the Legislature in enacting them makes it my duty, to explain somewhat in detail, my views of their practical operation.

The biennial session bill, as an amendment of the constitution, having been submitted to the vote of the people, and having received their *sanction*, ought and will I suppose certainly receive your confirmatory action, and thus become a part of the fundamental law. The annual expense of the Legislature proper may be estimated at fifty thousand dollars; and the incidental expenses, including appropriations for specific objects, &c., &c., may be estimated at twenty thousand dollars; making the direct and incidental cost, of each session of the Legislature, about seventy thousand dollars. The direct result therefore of the confirmation by you, of this amendment of the constitution, will be to lessen the demands upon the Treasury by an amount equal to the annual sum of thirty-five thousand dollars.

Looking to this constitutional amendment, as I propose to do, solely as a measure of retrenchment, no one could doubt its salutary effects, if it were viewed without reference to the other measure to which I have adverted. The importance to the revenue of that annual supervision hitherto exercised by the Legislature over the disbursing and collecting officers of the Government will be readily recognised and fully appreciated by you; and the truth of the proposition will not be controverted that the substitution of biennial for annual sessions of the Legislature will impose upon the Executive additional responsibilities, and the necessity of increased vigilance and labour in enforcing the prompt and general observance of the revenue laws of the State. I confess my inability to appreciate the wisdom of that legislation, which increases the responsibility and labour of the Executive, and at the same time, takes away the compensation hitherto allowed to that officer. Gentlemen, a sense of public duty compels me to speak plainly to you upon this subject at the hazard of having attributed to me the disposition to overrate the importance, responsibility and labours of the position, which I now occupy. Re-

member that the law under consideration, which destroys the executive compensation, does not effect the present incumbent; and bear in mind, that I only desire to refer to the duties of the executive office, in view of their bearing upon the public revenue; and I shall be relieved from the suspicion of self-interest, and I hope excused for the apparent egotism, necessarily incident to the consideration of this subject by me.

I will, therefore, gentlemen, without reserve, invite your consideration of two propositions, which will embrace all I desire to say upon this important subject. The first is, that the collection of the public revenue, and consequently the credit of the State, depends upon the efficiency of the Executive; and the second is, that the law of the last session, now under consideration, reducing the executive compensation, is not calculated to secure such efficiency. In reference to the first of those propositions, I need only say, that experience has demonstrated the inutility of adequate revenue laws, unenforced by executive energy and firmness, and that the restored credit of the State, and her ability to resume the payment of her liabilities, are not more attributable to the responsibility assumed by the Executive, in recommending, and by the Legislatures of 1844 and 1845, in establishing the present revenue system, than to the constant attention and unceasing efforts of the Executive to enforce the execution and general observance of the laws so recommended and passed. But, gentlemen, I will not trespass on your patience with an argument to sustain a position, the truth of which you recognise as fully as I do. *You know*, that if the Executive Department of the government is placed in inefficient hands, the non-payment of the public dues in some portions of the State, will certainly follow; and *you know*, that the people of every portion of the State, will be found unwilling to submit to the onerous taxation now cheerfully borne by most of them, when they find the great object of that taxation unanswered, and their beloved State thrown back from the elevated position she now occupies, into the position of helpless insolvency, from which she has but now been extricated. In reference to the second proposition, a difference of opinion may be entertained; but I cannot doubt, that proper reflection will lead you to the almost unanimous affirmance of its truth. Under the old constitution, a Governor and five members of the executive council, constituted the State Executive, who were elected annually by the Legislature. The salary of the Governor was \$2,666  $\frac{6}{100}$  and of each member of the council \$500, which with the salary of the clerk to the council, and that of the Steward of the Governor, made the cost of the Executive Department, under the old constitution \$6,916. The Governor and members of the council were not required to reside at the seat of government, and were permitted to pursue their various business avocations, which were scarcely interfered with by the discharge of their executive duties, consisting, almost exclusively in the exercise of the appointing power. Under the amended constitution, the Governor is elected by the

people for the term of three years, and is required to appoint annually, with the consent of the Senate, a Secretary of State, who are both required to reside at the seat of government. The salary of the Governor, since the amended constitution went into effect, has been \$4,200, and that of the Secretary of State \$2,000, making the cost of this department, under the amended constitution \$6,200. By the law of the last session, the salary of the Governor, after the 1st of January, 1848, is reduced to \$2,000, and that of the Secretary of State, after 1st January, 1847, to \$1,000, and the question which I submit for your consideration and decision is, whether efficient Executive officers, can be procured for those salaries?

No one, who has not thoroughly examined the present revenue system of the State, can appreciate the labour, which is now imposed upon the State Executive. If you will reflect, that the annual revenue from an hundred different sources now amounts to about one million of dollars, and that the operation of the whole of this complicated system of taxation, is placed by law under the supervision of the Executive, you will readily conclude, that the individual who will now faithfully discharge the duties attached to the office, will have no leisure for other pursuits, and that the successful discharge of those duties, will now require the entire time of a man of energy, firmness and established business habits. If you reflect, that the salary by this law attached to the office, will entail pecuniary loss upon the person, who shall hereafter be elected by the people, as their Chief Executive Officer, it is manifest, that it excludes from competition for the office all those who are successfully engaged in any profession or business, and will confine it, for the future, to men of wealth and leisure. But apart from this view of this subject, if we consider the practical effect of this retrenchment, upon the individual citizen; and find that he whose property is assessed, at ten thousand dollars, will only save, by this reduction in the salary of his Governor and Secretary of State, the enormous sum of fifteen cents, you cannot (if you throw out of view the probable consequent incompetency of the officer,) believe, that the people of Maryland can be brought for such a consideration to approve a law, by which, they will be deprived the privilege, of selecting any other than a man of wealth, as their Chief Executive Officer, without entailing upon the man of their choice, certain pecuniary embarrassment. No, gentlemen, I am persuaded, that such is not the genius or disposition, of the people of Maryland: they have pride in their State, and their government, and will never approve of legislation tending to cast degradation upon either.

In discharge of the duty imposed on me by the acts of 1827 chapter 140, and 1839 chapter 28, the vouchers will show that there has been expended within the past year, for the education of the indigent blind, the sum of \$661  $\frac{1}{100}$ ; and for the education of the indigent deaf and dumb, the sum of \$1,292  $\frac{1}{100}$ .

By the act of 1845, chapter 97, it was made my duty to pur-

chase a lot of ground in the city of Baltimore, and to contract for the building of a Tobacco Warehouse, capable of containing six thousand hogsheads. I have purchased a lot, and made a contract for the building which is now being erected; and I will transmit for your information and inspection, the deed, contract, &c., which I hope will meet your approbation.

I will also send for your information copies of the letters addressed by me (under resolution No. 18, of the last legislature) to the Governors of Pennsylvania, and Delaware, upon the subject of the North Eastern Boundary between the State of Maryland and those States, and the letter upon that subject received in reply from the Governor of Delaware. No communication upon the subject has been received from the Governor of Pennsylvania.

The loss which the State has sustained by the death of her late Chancellor THEOPHORICK BLAND, makes it my duty to refer to the court over which he presided, for the purpose of suggesting the legislation necessary to its maintenance.

The Great Seal of the State was placed in his custody, as the Chancellor of Maryland, on the 16th day of August, 1824, and from that period to the day of his death, the 16th of November last, he discharged the arduous and multifarious duties of that high station, with honesty, firmness and ability.

I have committed the custody of the Great Seal to JOHN JOHNSON, Esq., a gentleman whose high integrity of character, and admitted learning in this department of the law, eminently qualify him to discharge the arduous duties of Chancellor; with honor to himself and advantage to the public. The ability of this gentleman to hold permanently this most important judicial appointment, must depend upon your action. By resolution No. 41 of December Session 1825, it is declared "that the salary of the Chancellor shall be three thousand four hundred dollars, *during the continuance of the commission of the present Chancellor, and no longer*; and after the expiration of his commission, such salary shall be provided for the succeeding Chancellor, as the legislature shall then think proper to fix and establish." You will therefore perceive, that the fate of the High Court of Chancery of Maryland is now in your hands. If in the exercise of that enlightened judgment, for which the Legislature of Maryland has been ever distinguished, when questions of such vital importance have been submitted for their decision, you shall establish for this officer a salary commensurable with the laborious duties of the office, or the vast interests involved in his decisions, you will secure to your constituents the blessings of an efficient court, and to yourselves the honor of preserving this important branch of the State judiciary. A lawyer qualified to act as Chancellor, clothed with the sole power of deciding within the limits of the whole State, upon all the rights of property, which fall under the judicial examination of a Court of Equity, must be a man of learning, probity and firmness—he must possess energy of character and habits of indus-

try; and above all, he must be a man, the natural and acquired inclination of whose mind would be, to take a fair, unbiased, straight forward view of every question submitted for his decision.

When you reflect upon the golden harvest which such a man could reap in the practice of his profession, you must conclude, that a liberal salary or an incompetent officer, are the necessary alternatives.

Gentlemen, as desirous as I am that this Court, the only remaining relic of the wisdom of our fathers should be preserved—fully conscious as I am of the great inconvenience and injury which would be occasioned by its destruction—I should prefer its abolition, to its continuance, under circumstances which would convert it from a blessing to a curse upon the people.

Bear in mind gentlemen, that the great convenience and utility of this tribunal administered by a competent officer, has never been denied by any of those who in by-gone days have advocated its abolition; and then suffer me to enquire—for what mighty purpose are the people to be deprived of the convenience and benefits of this tribunal, placed in the hands of an efficient and competent officer? To reduce the expense of the State to the amount of the Salary of the Chancellor, either in whole or in part, is the only answer which ever has been, or which can be given to this inquiry, by those who have hitherto advocated the abolition of the Court, or the reduction of the salary of that officer.

And what would be the grand result of this false economy? If you should establish for the Chancellor now appointed, the same salary which by the resolution of 1825 was given to the late Chancellor, by which his services would be secured, you would impose upon each citizen of the State, for the purpose of sustaining a Court of admitted convenience and advantage to the people of the whole State, the intolerable burthen of a tax of the seven hundredth part of one per cent upon his assessable property!!

Before passing from this subject there is one other consideration of so conclusive and commanding a character that I do not feel myself at liberty to withhold it. By the 36th Article of the Constitution, the Chancellor for the time being is made the keeper of the Great Seal, which the same article directs, should be affixed to all laws, commissions, grants and other public testimonials; and by the 57th article of the constitution, it is directed that all civil commissions and grants shall be signed by the Governor and attested by the Chancellor, with the Seal of the State, annexed. The Great Seal then being confided to the keeping of the Chancellor by the Constitution, the legislature do not possess the power to make a different disposition of it, except by an alteration of that instrument. It therefore follows that if an inadequate salary should be provided by you for this officer, that the Great Seal would remain vacant for at least twelve months, and that for that time no grant or civil commission could issue.

May it not also be apprehended that the laws which shall be passed by you, from which so much public good is anticipated.

would be rendered nugatory, as they could not have the Great Seal of the State attached to them as the Constitution requires.

But when in addition to these views of the subject, you are reminded that the revenue which is now derived from this court is equal to the expense of its administration; I am sure I shall not appeal without success to your wisdom and patriotism, in asking you to establish for this office such a salary as will secure to the State an honest, firm and able Chancellor.

Gentlemen, I cannot resist the inclination which impels me to advert to the practice, which has prevailed in the legislature, of delaying its action upon the subjects of paramount importance, until the last hours of the session. Every observant Statesman will recognise in this practice the prominent cause of that legislation, which has resulted so perniciously to the State. If you will take up the Statute Books for the past ten years, and turn to the laws which have oppressed and weighed down the energies of your Constituents, you will find that all of them were passed within three days of the adjournment of the session, at which they were enacted !!

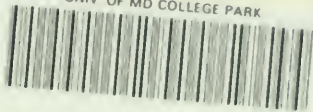
With the assurance of my entire confidence in your wisdom and patriotism, I must invoke for the measures, to which I have referred, your early consideration and prompt action.

Permit me gentlemen, to say that I shall entertain for the conclusions to which you shall come, the most profound respect; and that you may rely upon the cordial co-operation of the Executive, to render efficient the measures which you may devise, to re-establish the public credit, and promote the public good.

THOMAS G. PRATT.



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